GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2856
ANSWERED ON:22.08.2006
FDI INFLOW
Pingle Shri Devidas Anandrao

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Foreign Direct Investment in India has decreased during the last two years and the current year;

(b) if so, the reasons therefor;

(c) whether India is lagging far behind in the field of FDI inflow in comparison to other developing countries;

(d) if so, the details thereof and India's rank among the developing countries in terms of FDI inflow; and

(e) the steps taken by the Government to improve the situation?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ASHWANI KUMAR)

(a): No, Sir. As per the database maintained by the Department of Industrial Policy & Promotion, Foreign Direct Investment (FDI) inflows in the country have increased in the last two years, since 2004-05, as under:

Year	FDI inflows (in US$ billion)
2004-05	3.2
2005-06	5.5
2006-07	1.7 (increase of 47% over the same period last year) (up to June 2006)

(b): Does not arise.

(c) & (d): The FDI inflows into developing economies during the year 2004 and the inter-se rankings as per United Nations Conference on Trade and Development (UNCTAD)'s World Investment Report (WIR) 2005 are in the Statement at Annex. India ranks 11 out of 162 developing economies.

(e): Government has put in place a liberal and transparent policy on FDI according to which FDI up to 100% is permitted, under the automatic route, in most sectors. The policy is reviewed on a continuous basis for further liberalisation / rationalisation. Besides putting in place an attractive and investment-friendly policy with a high degree of automaticity, the Government has also renewed thrust on the investment promotion front through informative publications on investment opportunities and organising various investment promotion events in India and abroad in association with industry associations.

ANNEX

STATEMENT REFERRED TO IN REPLY TO PARTS (c) & (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 2856 FOR ANSWER ON 22-8-2006

FDI Inflows, by Host Region and Economy, 2004

S.No.	Region/economy	(Millions of dollars) Y2004
	Developing countries and territories	233 227
1	China	60 630
2	Hong Kong, China	34 035
3	Armenia	24 119
4	Brazil	18 166

5 Mexico 16 602
6 Singapore 16 060
7 Tajikistan 11 672
8 Albania 10 778
9 Korea, Republic of 7 687
10 Chile 7 603
11 India 5 335
12 Serbia and Montenegro 5 174
13 Belarus 4 769
14 Malaysia 4 624
15 Kyrgyzstan 4 269
16 Argentina 4 254
17 Bermuda 3 800
18 Cayman Islands 3 000
19 Colombia 2 739
20 Turkey 2 733
21 Croatia 2 488
22 Nigeria 2 127
23 Angola 2 048
24 Taiwan Province of China 1 898
25 Saudi Arabia 1 867
26 Peru 1 816
27 Uzbekistan 1 715
28 Equatorial Guinea 1 664
29 Vietnam 1 610
30 Venezuela 1 518
31 Sudan 1 511
32 Egypt 1 253
33 Ecuador 1 241
34 Syrian Arab Republic 1 206
35 Czechoslovakia (former) 1 076
36 Thailand 1 064
37 Indonesia 1 023
38 Panama 1 012
39 Trinidad and Tobago 1 001
40 Yugoslavia (former) 966
41 Pakistan 952
42 Congo, Democratic Republic of 900
43 Algeria 882
44 Bahrain 865
45 Morocco 853
46 United Arab Emirates 840
47 Qatar 679
48 Congo 668
49 Jamaica 650
50 Dominican Republic 645
51 Tunisia 639
52 Jordan 620
53 Costa Rica 618
54 Macao, China 600
55 South Africa 585
56 Myanmar 556
57 Ethiopia 545
58 Iran, Islamic Republic of 500
59 Kazakhstan 499
60 Bulgaria 497
61 Chad 478
62 United Republic of Tanzania 470
63 Philippines 469
64 El Salvador 466
65 Bangladesh 460
66 Bosnia and Herzegovina 426
67 CÃ´te d` Ivoire 360
68 Zambia 334
69 Gabon 323
70 Uruguay 311
71 Mauritania 300
72 Iraq 300
73 Honduras 293
74 Lebanon 288
75 Namibia 286
76 Turkmenistan 272
77 Nicaragua 250
78 Uganda 237
79 Azerbaijan 235
80 Sri Lanka 233
81 Bahamas 206
82 Mali 180
83 Belize 170
84 Georgia 169
85 Guatemala 155
86 Romania 151
87 Russian Federation 151
88 Ukraine 150
89 Mongolia 147

90 Ghana 139
91 Mozambique 132
92 Cambodia 131
93 Libyan Arab Jamahiriya 131
94 Aruba 131
95 Paraguay 119
96 Bolivia 117
97 Saint Lucia 111
98 Antigua and Barbuda 106
99 Anguilla 104
100 Brunei Darussalam 103
101 Guinea 100
102 British Virgin Islands 100
103 Moldova,Republicof 77
104 Senegal 70
105 Swaziland 69
106 Mauritius 65
107 Saint Kitts and Nevis 62
108 Benin 60
109 Gambia 60
110 Togo 60
111 Seychelles 60
112 Zimbabwe 60
113 Saint Vincent and the Grenadines 56
114 SÃ£o TomÃ© and Principe 54
115 Lesotho 52
116 Barbados 50
117 Guyana 48
118 Botswana 47
119 Kenya 46
120 Madagascar 45
121 Grenada 42
122 Korea, Democratic People`s Republic of 40
123 Burkina Faso 35
124 Djibouti 33
125 Eritrea 30
126 Samoa 25
127 Puerto Rico 24
128 Wallis and Futuna Islands 22
129 Cape Verde 20
130 Liberia 20
131 Niger 20
132 Dominica 19
133 Lao People`s Democratic Republic 17
134 Malawi 16
135 Maldives 13
136 Rwanda 11
137 Nepal 10
138 Micronesia, Federated States of 10
139 Somalia 9
140 Vanuatu 9
141 Haiti 7
142 Guinea-Bissau 5
143 Niue 5
144 Papua New Guinea 5
145 Sierra Leone 5
146 Tuvalu 4
147 Timor-Leste 4
148 Burundi 3
149 Montserrat 2
150 Comoros 2
151 Cuba 2
152 Afghanistan 1
153 Bhutan 1
154 Solomon Islands 1
155 Tokelau - 5
156 Fiji - 9
157 Central African Republic - 13
158 Oman - 18
159 Kuwait - 20
160 Yemen - 21
161 Netherlands Antilles - 30
162 Suriname - 60

[Source: UNCTAD's World Investment Report 2005]